



September 17, 2019

Michael Brilliot Jared Hart Chris Burton City of San Jose 200 E. Santa Clara St. San Jose, CA

Re: Jobs Redistribution Analysis for Coyote Valley

Dear Michael, Jared, and Chris:

Thank you, Michael and Jared, for taking the time on August 15 to help us get up to speed on San Jose's 4-Year General Plan Review process just getting underway. We appreciated the early opportunity to discuss the scope of the 4-Year Review primarily as it relates to the long-term future of North Coyote Valley (NCV) and the Mid-Coyote Valley Urban Reserve (MCVUR) to achieve key city objectives including the preservation of open space and wildlife habitat, flood and groundwater protection, agriculture, climate change resilience, and passive recreation.

This letter follows up on that discussion and our offer to put some of the ideas discussed in writing. We are including Chris given the important role you mentioned he will play in developing the updated Market Overview and Employment Land Analysis, including analysis of the potential redistribution of jobs capacity from NCV to other General Plan growth areas ("updated Study").

We encourage the updated Study to provide information in service to the Task Force's consideration of General Plan amendments that will both deliver additional protection in NCV and MCVUR per the Council's approved scope of the 4-Year Review, and at the same time relocate jobs to other appropriate growth areas, again per the scope. We offer the following summary of some of the considerations we raised in the meeting and hope the updated Study can address or acknowledge in some form:

- Given the direction of City Council to consider futures for NCV and MCVUR focused on open space values, and the efforts underway to permanently preserve large portions of NCV, the updated Study should acknowledge that one possible future for NCV is that no additional development will occur in the area beyond what currently exists.
- 2. City staff has occasionally referred to the jobs that have been designated for NCV as "industrial" jobs. However, despite the General Plan designation of Industrial Park, there was never an expectation that all, or even most, of the jobs in NCV would be typical industrial trades jobs. Both under the Coyote Valley Research Park proposal from 1999, and under the Coyote Valley Specific Plan from the early 2000's, the predominant type of jobs envisioned for the valley were white-collar professional jobs in tech campuses. The city should consider a similar mix of job types when identifying opportunities for reallocating jobs to infill locations in San Jose.
- 3. The updated Study should acknowledge that no matter what level of job growth goals the City had previously set for NCV, it is unrealistic to expect that 35,000 jobs would come to NCV. Today's reality is that, even at a time of unprecedented job growth, tech campus developers have no interest in locating in NCV, far from existing infrastructure and other urban amenities. Over the past few years, the only applications that have been proposed for NCV are for projects with very few jobs, such as warehouses.

This indicates that the updated Study should consider a much lower number of jobs to redistribute out of the valley than the aspirational goal of 35,000 new jobs. The Four-Year Review is an opportunity to check expectations from past years with the best available knowledge, and this economic analysis should take advantage of the chance to do a "reality check".

- 4. As mentioned above, it is very likely that a certain amount of land in NCV will become permanently preserved for conservation and natural resource management purposes in the years ahead, placing these lands off-limits to development. Development plans for NCV have always assumed that all of the land in NCV would undergo development; thus, for example, the Community Facilities Districts (CFDs) assume wide-scale participation by NCV landowners in order to share the costs of the infrastructure required by development. With a large portion of NCV land no longer in play for development, it becomes much less likely that development will occur on the remaining parcels in NCV. The updated Study should take into account this real-world effect on the likelihood of development in the remainder of NCV -- and reduce the city's estimate of jobs "lost" in NCV due to redesignation to agricultural and open space uses.
- 5. The updated Study should evaluate the number of jobs that could be created in conservation and/or agriculture-related fields under a scenario in which much or all of NCV is acquired for conservation and restoration purposes. For example, the development of green infrastructure projects, funded by Measure T-2018, will create both temporary and on-going conservation-related jobs for Coyote Valley. This could easily surpass the number of jobs generated from data centers, warehouses, or other low-job generating uses. The updated Study should also acknowledge baseline jobs that currently exist in NCV at Metcalf, IBM, Gavilan, and other properties, as well as existing agricultural work.
- 6. In evaluating the potential for other growth areas to absorb additional jobs, the updated Study should address the changing nature of industrial jobs and industrial "spaces" for those jobs, making possible higher density spaces for those industrial/small scale manufacturing and product design jobs. Distribution is also changing, with infill locations such as vacant or underutilized malls and box stores prime candidates for these types of uses and associated jobs.

Thanks again for taking the time to meet with us to discuss these issues. We would welcome an opportunity to meet again with you and also with Chris. We would also be interested in learning more about the City's approach to the 4-Year Review and the scope, as that develops.

We look forward to working with City staff as this process moves forward.

Sincerely,

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Alice Kaufman, Legislative Advocacy Director

Committee for Green Foothills

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Kiyomi Yamamoto, South Bay Regional Representative

Greenbelt Alliance